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USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		<i>This data will be used by RUS to review your financial situation. Your response is required by 7 U.S.C. 901 et seq. and, subject to federal laws and regulations regarding confidential information, will be treated as confidential.</i> BORROWER NAME Range Telephone Cooperative, Inc. (Prepared with Audited Data)	
INSTRUCTIONS: Submit report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 1744-2. Report in whole dollars only.		PERIOD ENDING December, 2015	BORROWER DESIGNATION MT0518
CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7CFR CHAPTER XVII (Check one of the following)			
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects. </div> <div style="width: 45%;"> <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report </div> </div>			
Robin Stephens		3/25/2016 DATE	
PART A. BALANCE SHEET			
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY
CURRENT ASSETS			CURRENT LIABILITIES
1. Cash and Equivalents			25. Accounts Payable
2. Cash-RUS Construction Fund			26. Notes Payable
3. Affiliates:			27. Advance Billings and Payments
a. Telecom, Accounts Receivable			28. Customer Deposits
b. Other Accounts Receivable			29. Current Mat. L/T Debt
c. Notes Receivable			30. Current Mat. L/T Debt-Rur. Dev.
4. Non-Affiliates:			31. Current Mat.-Capital Leases
a. Telecom, Accounts Receivable			32. Income Taxes Accrued
b. Other Accounts Receivable			33. Other Taxes Accrued
c. Notes Receivable			34. Other Current Liabilities
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)
6. Material-Regulated			LONG-TERM DEBT
7. Material-Nonregulated			36. Funded Debt-RUS Notes
8. Prepayments			37. Funded Debt-RTB Notes
9. Other Current Assets			38. Funded Debt-FFB Notes
10. Total Current Assets (1 Thru 9)			39. Funded Debt-Other
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt
a. Rural Development			42. Reacquired Debt
b. Nonrural Development			43. Obligations Under Capital Lease
12. Other Investments			44. Adv. From Affiliated Companies
a. Rural Development			45. Other Long-Term Debt
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)
13. Nonregulated Investments			OTHER LIAB. & DEF. CREDITS
14. Other Noncurrent Assets			47. Other Long-Term Liabilities
15. Deferred Charges			48. Other Deferred Credits
16. Jurisdictional Differences			49. Other Jurisdictional Differences
17. Total Noncurrent Assets (11 thru 16)			50. Total Other Liabilities and Deferred Credits (47 thru 49)
PLANT, PROPERTY, AND EQUIPMENT			EQUITY
18. Telecom, Plant-in-Service			51. Cap. Stock Outstand. & Subscribed
19. Property Held for Future Use			52. Additional Paid-in-Capital
20. Plant Under Construction			53. Treasury Stock
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates
22. Less Accumulated Depreciation			55. Other Capital
23. Net Plant (18 thru 21 less 22)			56. Patronage Capital Credits
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins
			58. Total Equity (51 thru 57)
			59. TOTAL LIABILITIES AND EQUITY (35+46+50+58)

Total Equity = 75.36% % of Total Assets

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION MT0518	
INSTRUCTIONS- See RUS Bulletin 1744-2		PERIOD ENDING December, 2015	
PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS			
ITEM		PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues			
2. Network Access Services Revenues			
3. Long Distance Network Services Revenues			
4. Carrier Billing and Collection Revenues			
5. Miscellaneous Revenues			
6. Uncollectible Revenues			
7. Net Operating Revenues (1 thru 5 less 6)			
8. Plant Specific Operations Expense			
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)			
10. Depreciation Expense			
11. Amortization Expense			
12. Customer Operations Expense			
13. Corporate Operations Expense			
14. Total Operating Expenses (8 thru 13)			
15. Operating Income or Margins (7 less 14)			
16. Other Operating Income and Expenses			
17. State and Local Taxes			
18. Federal Income Taxes			
19. Other Taxes			
20. Total Operating Taxes (17+18+19)			
21. Net Operating Income or Margins (15+16-20)			
22. Interest on Funded Debt			
23. Interest Expense - Capital Leases			
24. Other Interest Expense			
25. Allowance for Funds Used During Construction			
26. Total Fixed Charges (22+23+24-25)			
27. Nonoperating Net Income			
28. Extraordinary Items			
29. Jurisdictional Differences			
30. Nonregulated Net Income			
31. Total Net Income or Margins (21+27+28+29+30-26)			
32. Total Taxes Based on Income			
33. Retained Earnings or Margins Beginning-of-Year			
34. Miscellaneous Credits Year-to-Date			
35. Dividends Declared (Common)			
36. Dividends Declared (Preferred)			
37. Other Debits Year-to-Date			
38. Transfers to Patronage Capital			
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]			
40. Patronage Capital Beginning-of-Year			
41. Transfers to Patronage Capital			
42. Patronage Capital Credits Retired			
43. Patronage Capital End-of-Year (40+41-42)			
44. Annual Debt Service Payments			
45. Cash Ratio [(14+20-10-11) / 7]			
46. Operating Accrual Ratio [(14+20+26) / 7]			
47. TIER [(31+26) / 26]			
48. DSCR [(31+26+10+11) / 44]			

USDA-RUS						BORROWER DESIGNATION MT0518	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS						PERIOD ENDED December, 2015	
INSTRUCTIONS - See RUS Bulletin 1744-2							
Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION							
	1. RATES		2. SUBSCRIBERS (ACCESS LINES)			3. ROUTE MILES	
EXCHANGE	B-1	R-1	BUSINESS	RESIDENTIAL	TOTAL	TOTAL (including fiber)	FIBER
	(a)	(b)	(a)	(b)	(c)	(a)	(b)
Alzada	22.44	18.70	22	74	96	333.57	78.49
Arvada	22.44	18.70	40	129	169	461.20	107.63
Ashland	22.44	18.70	142	432	574	512.47	57.10
Birney	22.44	18.70	8	65	73	148.44	23.53
Broadus	22.44	18.70	199	348	547	268.42	59.77
Busby	22.44	18.70	47	206	253	123.18	18.57
Clearmont	22.44	18.70	39	107	146	214.59	65.52
Decker	22.44	18.70	109	182	291	535.96	102.50
Hysham	22.44	18.70	106	331	437	621.24	141.71
Lame Deer	22.44	18.70	485	646	1,131	264.79	59.92
North Broadus	22.44	18.70	6	103	109	315.10	51.42
Rosebud	22.44	18.70	69	172	241	351.72	110.59
South East Sheridan	22.44	18.70	77	196	273	262.92	45.89
South Miles City	22.44	18.70	17	178	195	559.24	160.33
Sundance	22.44	18.70	422	696	1,118	658.88	195.29
Forsyth CLEC	33.80	16.50	324	611	935	257.79	206.53
South Broadus	22.44	18.70	48	227	275	709.94	150.17
MobileWireless					0		
Route Mileage Outside Exchange Area						0.00	0.00
Total			2,160	4,703	6,863	6,599.46	1,634.99
No. Exchanges	17						

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p> <p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>BORROWER DESIGNATION</p> <p>MT0518</p> <p>PERIOD ENDED</p> <p>December, 2015</p>
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Part C. SUBSCRIBER (ACCESS LINE), ROUTE MILE, & HIGH SPEED DATA INFORMATION

4. BROADBAND SERVICE

Details on Least Expensive Broadband Service								
EXCHANGE	No. Access Lines with BB available (a)	No Of Broadband Subscribers (b)	Number Of Subscribers (c)	Advertised Download Rate (Kbps) (d)	Advertised Upload Rate (Kbps) (e)	Price Per Month (f)	StandAlone/Pckg (f)	Type Of Technology (g)
Alzada	90	66	4	384	256	23.95	StandAlone	DSL
Arvada	165	92	2	384	256	23.95	StandAlone	DSL
Ashland	550	357	5	384	256	23.95	StandAlone	DSL
Birney	70	53		384	256	23.95	StandAlone	DSL
Broadus	535	362	14	384	256	23.95	StandAlone	DSL
Busby	240	168	1	384	256	23.95	StandAlone	DSL
Clearmont	140	89	2	384	256	23.95	StandAlone	DSL
Decker	290	150	3	384	256	23.95	StandAlone	DSL
Hysham	435	273	5	384	256	23.95	StandAlone	DSL
Lame Deer	1,050	566	3	384	256	23.95	StandAlone	DSL
North Broadus	100	62	7	384	256	23.95	StandAlone	DSL
Rosebud	240	137	8	384	256	23.95	StandAlone	DSL
South East Sheridan	265	190	4	384	256	23.95	StandAlone	DSL
South Miles City	135	119	4	384	256	23.95	StandAlone	DSL
Sundance	1,100	611	12	384	256	23.95	StandAlone	DSL
Forsyth CLEC	935	560	16	384	256	23.95	StandAlone	DSL
South Broadus	250	182	6	384	256	23.95	StandAlone	DSL
Total	6,590	4,037						

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		BORROWER DESIGNATION MT0518 PERIOD ENDING December, 2015							
INSTRUCTIONS- See RUS Bulletin 1744-2									
PART D. SYSTEM DATA									
1. No. Plant Employees 26	2. No. Other Employees 19	3. Square Miles Served 15,800	4. Access Lines per Square Mile .43						
PART E. TOLL DATA									
1. Study Area ID Code(s) a. 482251 b. 489007 c. 512251 d. _____ e. _____ f. _____ g. _____ h. _____ i. _____ j. _____	2. Types of Toll Settlements (Check one) <table style="width: 100%;"> <tr> <td style="width: 40%;">Interstate:</td> <td style="width: 20%;"><input type="checkbox"/> Average Schedule</td> <td style="width: 40%;"><input checked="" type="checkbox"/> Cost Basis</td> </tr> <tr> <td>Intrastate:</td> <td><input type="checkbox"/> Average Schedule</td> <td><input checked="" type="checkbox"/> Cost Basis</td> </tr> </table>			Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis	Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis
Interstate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis							
Intrastate:	<input type="checkbox"/> Average Schedule	<input checked="" type="checkbox"/> Cost Basis							
PART F. FUNDS INVESTED IN PLANT DURING YEAR									
1. RUS, RTB, & FFB Loan Funds Expended									
2. Other Long-Term Loan Funds Expended									
3. Funds Expended Under RUS Interim Approval									
4. Other Short-Term Loan Funds Expended									
5. General Funds Expended (Other than Interim)									
6. Salvaged Materials									
7. Contribution in Aid to Construction									
8. Gross Additions to Telecom. Plant (1 thru 7)									
PART G. INVESTMENTS IN AFFILIATED COMPANIES									
INVESTMENTS (a)	CURRENT YEAR DATA		CUMULATIVE DATA						
	Investment This Year (b)	Income/Loss This Year (c)	Cumulative Investment To Date (d)	Cumulative Income/Loss To Date (e)	Current Balance (f)				
1. Investment in Affiliated Companies - Rural Development									
2. Investment in Affiliated Companies - Nonrural Development									

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION MT0518 PERIOD ENDING December, 2015
PART H. CURRENT DEPRECIATION RATES	
Are corporation's depreciation rates approved by the regulatory authority with jurisdiction over the provision of telephone services? (Check one) <input checked="checked" type="checkbox"/> YES <input type="checkbox"/> NO 	
EQUIPMENT CATEGORY	DEPRECIATION RATE
1. Land and support assets - Motor Vehicles	12.00%
2. Land and support assets - Aircraft	12.00%
3. Land and support assets - Special purpose vehicles	12.00%
4. Land and support assets - Garage and other work equipment	15.00%
5. Land and support assets - Buildings	4.17%
6. Land and support assets - Furniture and Office equipment	14.30%
7. Land and support assets - General purpose computers	14.69%
8. Central Office Switching - Digital	10.00%
9. Central Office Switching - Analog & Electro-mechanical	10.00%
10. Central Office Switching - Operator Systems	10.00%
11. Central Office Transmission - Radio Systems	10.00%
12. Central Office Transmission - Circuit equipment	12.40%
13. Information origination/termination - Station apparatus	9.77%
14. Information origination/termination - Customer premises wiring	10.00%
15. Information origination/termination - Large private branch exchanges	10.00%
16. Information origination/termination - Public telephone terminal equipment	10.00%
17. Information origination/termination - Other terminal equipment	10.00%
18. Cable and wire facilities - Poles	7.60%
19. Cable and wire facilities - Aerial cable - Metal	4.60%
20. Cable and wire facilities - Aerial cable - Fiber	4.60%
21. Cable and wire facilities - Underground cable - Metal	4.40%
22. Cable and wire facilities - Underground cable - Fiber	4.40%
23. Cable and wire facilities - Buried cable - Metal	6.00%
24. Cable and wire facilities - Buried cable - Fiber	5.00%
25. Cable and wire facilities - Conduit systems	6.00%
26. Cable and wire facilities - Other	6.00%

USDA-RUS		BORROWER DESIGNATION MT0518
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2015
INSTRUCTIONS – See help in the online application.		
PART I – STATEMENT OF CASH FLOWS		
1. Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		
CASH FLOWS FROM OPERATING ACTIVITIES		
2. Net Income		
<i>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities</i>		
3. Add: Depreciation		
4. Add: Amortization		
5. Other (Explain)		
<i>Changes in Operating Assets and Liabilities</i>		
6. Decrease/(Increase) in Accounts Receivable		
7. Decrease/(Increase) in Materials and Inventory		
8. Decrease/(Increase) in Prepayments and Deferred Charges		
9. Decrease/(Increase) in Other Current Assets		
10. Increase/(Decrease) in Accounts Payable		
11. Increase/(Decrease) in Advance Billings & Payments		
12. Increase/(Decrease) in Other Current Liabilities		
13. Net Cash Provided/(Used) by Operations		
CASH FLOWS FROM FINANCING ACTIVITIES		
14. Decrease/(Increase) in Notes Receivable		
15. Increase/(Decrease) in Notes Payable		
16. Increase/(Decrease) in Customer Deposits		
17. Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		
18. Increase/(Decrease) in Other Liabilities & Deferred Credits		
19. Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		
20. Less: Payment of Dividends		
21. Less: Patronage Capital Credits Retired		
22. Other (Explain)		
23. Net Cash Provided/(Used) by Financing Activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
24. Net Capital Expenditures (Property, Plant & Equipment)		
25. Other Long-Term Investments		
26. Other Noncurrent Assets & Jurisdictional Differences		
27. Other (Explain) balance cash flow statement		
28. Net Cash Provided/(Used) by Investing Activities		
29. Net Increase/(Decrease) in Cash		
30. Ending Cash		

Revision Date 2010

<p>USDA-RUS</p> <p>OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	<p>BORROWER DESIGNATION</p> <p>MT0518</p>
<p>INSTRUCTIONS - See RUS Bulletin 1744-2</p>	<p>PERIOD ENDED</p> <p>December, 2015</p>
<p>NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS</p>	
<p>Nothing unusual to report for 2015</p>	

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	BORROWER DESIGNATION MT0518
INSTRUCTIONS - See RUS Bulletin 1744-2	PERIOD ENDED December, 2015
CERTIFICATION LOAN DEFAULT NOTES TO THE OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	